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Breaks a 'Confidence'

Patman Says CIA Aided Probed Unit

WASHINGTON (UPI)—Rep. Wright Patman, D-Tex., said today that the Central Intelligence Agency (CIA) contributed money to a foundation under investigation by the Internal Revenue Service (IRS).

Patman told a hearing of a House small business subcommittee he heads that he was breaking a "confidence" because he felt he had been "trifled with" by the CIA.

The Texas Democrat said the foundation receiving the money was the J. M. Kaplan Fund of New York City. The IRS has been investigating the fund for several years to determine whether it should retain its tax exempt status.

The Patman subcommittee has been looking into the tax exempt status of foundations and whether some of them are taking advantage of it.

Patman's disclosures produced some embarrassment among the IRS witnesses, Acting Commissioner Bertrand M. Harding and Mitchell Rogovin, assistant to the commissioner.

The two men repeatedly told Patman that it would be best if the chairman put his questions to CIA representatives in a closed session.

On Aug. 10 Rogovin and Harding appeared before the subcommittee in connection with the Kaplan fund. Patman had charged that financier J. M. Kaplan had used the foundation to build his business empire.

At one point during that session Rogovin, when asked a question, walked to the subcommittee stand and spoke privately with Patman. That discussion, it became apparent to

day, served to inform Patman of CIA's involvement with the Kaplan fund.

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Patman said today that he had not planned to bring a matter touching on "foreign affairs" out into the open but that he had not been able to get all the information he had requested from CIA.

Patman said a CIA official had told him that the "arrangement" with the Kaplan Fund had begun in 1959 and ended in 1964. Patman said he asked the official who were the CIA individuals who selected the Kaplan Fund, a charitable foundation centered in New York City.

When the agency did not come forward with that information, Patman said, he decided that making the issue public was the only way to get information.

Rogovin told Patman that he was sure that if the congressman's staff director had requested the information the CIA would have produced it.

The CIA is known to use existing foundations and on occasion to set up its own foundations in order to conduct certain of its intelligence gathering activities.